

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

July 9-10, 1997



The July meeting of the Board of Trustees of the University of Illinois was held in the Conference Room, Technology Park Research Building, Chicago campus, Chicago, Illinois, beginning at 4:05 p.m. on Wednesday, July 9, 1997, and continuing in Room C, Chicago Illini Union, Chicago campus, on July 10, 1997. A retreat for the board preceded the meeting, beginning at 8:45 a.m. on Wednesday. Minutes from that session are presented below.

Chair Susan L. Gravenhorst called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mrs. Judith Ann Calder, Mr. William D. Engelbrecht, Dr. Jeffrey Gindorf, Mrs. Susan L. Gravenhorst, Mr. Thomas R. Lamont, Ms. Ada N. Lopez, Mrs. Martha R. O'Malley, Mr. Roger L. Plummer, Ms. Judith R. Reese. Governor Jim Edgar was absent. The following nonvoting student trustees were present: Ms. Kellyn Doyle, Urbana-Champaign campus; Ms. Yazmin Sanchez, Chicago campus; Ms. Denise Yates, Springfield campus.

Also present were President James J. Stukel; Dr. Sylvia Manning, vice president for academic affairs; Dr. Michael Aiken, chancellor, University of Illinois at Urbana-Champaign; Dr. David C. Broski, chancellor, University of Illinois at Chicago; Dr. Naomi B. Lynn, chancellor, University of Illinois at Springfield; and the officers of the board, Dr. Craig S. Bazzani, comptroller (and vice president for business and finance); Mr. Byron H. Higgins, univer-

sity counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Donald K. Coe, university director of public affairs; Mr. Kirk Hard, associate president for governmental relations; Ms. Susan J. Sindelar, special assistant to the president; and Ms. Marna K. Fuesting, special assistant to the secretary.

MINUTES OF BOARD RETREAT

The first presentation for the board's consideration during the retreat session was from President Stukel who presented the board with thoughts on a vision for the University for the next several years, possibly as many as ten. This included a review of the University's mission statement, because that formal statement provides a context for the vision, which is more immediate. A discussion of the internal and external environment for the University followed; including a discussion of possible threats to the institution, from external elements, principally reduced funding for teaching and research. The important role technology has played and will continue to play in the life of the University was discussed, and the growth in the demand for higher education was also discussed. The president presented ten strategic issues which he saw as crucial to the University. These were discussed briefly, and the suggestion was made to continue to discuss these and refine them in the year ahead. These ten issues were divided into two groups: (1) issues affecting resource availability and/or governmental oversight; within this group were four strategic issues: cost constraint/productivity/accountability at the State and Federal levels; Federal policy and funding outcomes for student aid/research/health care; State funding policies and priorities; market-driven changes in health care delivery; and (2) issues affecting the nature and effectiveness of all academic programs. There were six issues listed in this group: access to higher education; quality of teaching, learning, and discovery; need for life-long learning; rates of change in technological advances and knowledge creation; internationalization of education and commerce; pressures to deal with societal issues.

The trustees then discussed where they thought the University should plan to be as an institution in the next ten years, what role such things as service to the State would play, and how the resources of the University would best be invested to ensure continued quality. The observation was made that distance-learning would provide a way to reach out to more students in future. They also discussed the need for more emphasis on undergraduate education, in terms of both personal development and academic sophistication.

This session concluded with a suggestion from Mrs. Gravenhorst that the board spend some time at several meetings in the year ahead discussing each of the ten strategic issues.

The second session of the retreat was devoted to a discussion of the recently revised *Bylaws* of the Board of Trustees. Mrs. O'Malley, chair of the ad hoc committee to review the *Bylaws*, and Ms. Reese, convened this and

asked for comments on the draft of the revised *Bylaws*. Mrs. O'Malley summarized the changes made and the process used to recommend these changes. Ms. Reese took questions from other board members as most of the changes were reviewed. It was decided that the committee would take suggestions under advisement and bring back another revised draft to the board at their September meeting with a recommendation for approval of changes.

Further discussion ensued on the topic of mentoring new trustees. Ms. Reese explained that this had helped her as a new trustee. Mrs. Gravenhorst urged more support for new trustees in general. Dr. Gindorf cautioned that this could not be forced and, indeed, new trustees come to the board with varying experience with boards, thus, he noted he would not be supportive of assigning mentors to new trustees. Ms. Lopez suggested that developing reciprocal relationships among trustees was important and should start at an early stage. She also observed that trustees should become comfortable in calling administrators and seeking their assistance. Mr. Lamont and Mr. Engelbrecht stressed the need to spend time in mentoring and being available to new student trustees. Following that, a discussion of the function of committees of the board was taken up. Some expressed a preference for having committees meet apart from the board meetings, while others thought that trustees should continue to meet as a committee of the whole. Some trustees indicated that in future they would attempt to have their committees meet separately from the board meetings. Dr. Gindorf mentioned that there was a potential for discord if some board members are not equally informed on topics that are discussed away from the board meetings.

The board then noted the Trustees' Distinguished Service Medallion, which was proposed to be subsumed under the committee on trusteeship and governance, and Ms. Reese asked for a review and revision of the criteria. Mrs. Gravenhorst urged her colleagues to consider awarding this more often.

The third session was devoted to a discussion of the University's legislative relations. Mr. Hard made the principal presentation on this topic, with three staff members, Ms. Dianna Henderson, Ms. Theresa Mintel, and Mr. Richard Schoell, making additional brief presentations.

Mr. Hard explained that his office, as a part of the president's office, is involved in both securing funds from governmental sources for the University and responding to inquiries from various sources.

He emphasized that it is important for public officials to know that the decisions for the University in relation to governmental relations are made by the board and the president. He then explained that the mission of the University Office of Governmental Relations is to enhance the University's position at the State and Federal levels by responding to the needs for information of governmental leaders and to represent the University and its purposes to external constituents.

Next, Mr. Hard described the University's Governmental Relations Management Team that he meets with regularly. The team consists of campus membership and others from University administration. He described this as a priority development team for issues at the State and Federal levels. He described how this group reviews legislation that is pending, and recommends positions for the University. He noted that these recommendations are reviewed by the University Policy Council where consensus is reached about the University's stance, for recommendation to the board.

Dianna Henderson, associate director of governmental relations, then explained the bill review process followed by the office in sorting and categorizing the approximately 3,000 bills that are introduced each year in the General Assembly. She explained that there are always several hundred bills that might affect the University introduced each year and these must be closely followed.

Next, Rick Schoell, director of Federal relations, spoke about areas of interest to the University in Federal relations. He stated that the National Science Foundation and the National Institutes of Health were of great interest to the University, because so much funding comes through those two agencies. He noted that the importance of the U.S. Department of Defense and the U.S. Department of Energy was growing, due to research potential. He mentioned the success of the University in securing the grant for the National Center for Supercomputing Applications this past year and described the intense competition for this. He also reminded the trustees that the University is a leader in the arena of student aid policy making. He then described the kinds of meetings he and the president have with the Congressional delegation. He stressed the importance of membership in and participation in many higher education associations. He noted that these gatherings provide for information sharing and new information that is helpful to the University.

Following that, Theresa Mintel, assistant director of governmental relations, spoke of her work in Chicago, dealing with city, State, and Federal elected officials. She noted that the planned south campus expansion project required interaction with all three levels of government. She stressed the operational needs of the University, and particularly the Chicago campus, as directing her work in the city of Chicago and in Springfield.

Mr. Hard summarized the comments by stating that the work of this office is mainly about dealing with people constantly and consistently, and working to achieve the goals of the University. He noted the opportunities he and his colleagues have to acquaint many people with the University and the equally satisfying aspect of working with colleagues in higher education and government for the benefit of the University. He stated that he would always alert the board to bills that concern University governance and make them aware of the progress of these bills.

President Stukel then reminded the trustees that the University is proactive with regard to meeting with legislators and governmental officials. Discussion followed by some board members about how they might be involved in reviewing the legislative issues, particularly at the State level earlier than at present. The president stated that bills that have the potential to have the greatest impact on the University are reviewed regularly with the board through written reports and verbal discussions at board meetings. Other trustees commented that more dialog was not needed unless clarity required it. They preferred that the board set broad policy and that bills that threaten this be carefully watched and argued against by the governmental relations staff. Some of the trustees suggested that their own personal relationships with governmental leaders would be useful and ought to be utilized.

This session was concluded in order for the trustees to receive a presentation on the University of Illinois Health Maintenance Organization, the next session for the retreat.

The next session, the fourth, was an update on the status of the University of Illinois Health Maintenance Organization (UIHMO) by Dr. Gindorf, the Board of Trustees' representative to the board of the UIHMO. He began his remarks noting that the change in the administration of Medicaid benefits to clients, favoring HMO's instead of other health care arrangements, was an impetus for the expansion of the UIHMO. He explained that it had previously been primarily an HMO for students at the Chicago campus. He reported that the board of the UIHMO had held six quarterly meetings and had been audited twice. He explained that the financial status was good. However, he also stated that the enrollment of patients had been rather low. He added that the current enrollment was not sufficient to support the academic enterprise at UIC and was below projections for this time.

He followed with comments on the dual assignment given by the State to the University on this subject. One is to educate physicians, and the other is to recruit patients to serve that end, but in a Medicaid/HMO environment. This is difficult, he explained, because the costs of a teaching hospital are by necessity greater than other hospitals, thus these institutions tend to be less competitive. Discussion ensued on the difficulties of recruiting enrollees to an HMO today. Another problem described by Dr. Gindorf is that created by the State's slowness to mandate that all Medicaid recipients enroll in HMO's. He said that the fact that patients have options in HMO's makes it difficult to recruit enough patients to aid in medical education. He noted that the intent about two years ago was to require that all Medicaid health care be provided by an HMO but that this had not happened. Dr. Bazzani indicated that the University was working with the State to request a "carve out," or guaranteed number of Medicaid recipients for the UIHMO. Vice Chancellor Haussmann observed that the current rate

per day (\$90.00) allowed for Medicaid patients was acceptable for hospitalization and that the UIHMO would continue.

The fifth session, an open forum for questions and comments, was convened by Ms. Lopez and Mr. Plummer. Ms. Lopez reviewed the sessions preceding this one and mentioned that the board and the president had agreed to further define a vision statement for the University, that the *Bylaws* would be revised further, with a goal of approval in September. Further, she said that the board would communicate to Mr. Hard its views on legislation and try to assist him in preparation for representing the University to the legislature. Also, she noted that strategies need to be developed for the future of the UIHMO. In addition, she concluded that in future, the administration needs to come to recommendations in a more timely fashion, and avoid delays due to lengthy processes followed.

Mr. Plummer stated that he wanted to make plans for carrying out matters that had been agreed to in the day's discussion. He again emphasized that the vision for the University needed to be defined by the board and the president together. He said that he was committed to finishing the *Bylaws* in the next few weeks and having these ready for the September agenda. He also stressed the importance of continuing to discuss the strategic issues presented. Some discussion on how the trustees would be involved in legislative matters followed and the president indicated that he would check with his colleagues around the country to learn what measures they use to determine levels of success in work with legislatures. Further discussion of the UIHMO as a business was taken up and several thoughts were expressed, such as the fact that this is a business and the board needs to watch it closely and determine when it should change; that as a business venture, it is one in which the University has little experience and thus caution should be exercised. Discussion followed on the need for consultation with students, on such issues as fees, and how best to carry that out. Also, there was brief discussion on the use of the University Seal and the possibility of developing a campus logo for the Urbana campus. In closing, Ms. Lopez announced that at the September board meeting there would be a discussion of tenure at the University, since there had been insufficient time to discuss this at the retreat.

EXECUTIVE SESSION

Chair Gravenhorst, referring to Section Two of the Open Meetings Act, stated: "A motion is now in order to hold an executive session to consider information regarding the appointment, employment, or dismissal of employees or officers, to discuss pending, probable, or imminent litigation, the acquisition of real property, to discuss campus security, and to receive legal advice from counsel."

The motion was made by Ms. Reese and approved by the following vote: Aye, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Report from Chancellor, Urbana

In discussing matters of collective bargaining negotiations with the fire-fighters, Chancellor Aiken discussed the basis for items and factors considered by the University in negotiating the transfer of the fire protection services unit currently located at the Urbana campus. His plan, as indicated at earlier meetings, was to transfer the services to the cities of Champaign and Urbana. He described the results of two studies by external consultants about the future of the fire protection services and noted that both recommended moving the unit out of its present location into a new setting. Professor John Braden commented on the committee he chaired to study the fire protection services unit and its place in the campus community. He mentioned that the committee studied the current services of the unit and their approximation to state-of-the-art services and added that a risk assessment was done to evaluate the campus' risk with the present arrangements. He concluded his remarks by saying that the committee brought forth a strong recommendation that the fire protection services be transferred to the two cities. Discussion continued about the staff in the current unit and what would happen to them. Chancellor Aiken described the plans for transferring them either to one of the cities or absorbing them in other positions at the campus. The chancellor also summarized the savings to the campus over ten years if this change is made in the near future. The trustees questioned the chancellor, Dr. Braden, and Ms. Kathleen Pecknold on various points involved in this plan. The chancellor explained that the transition described would probably require about one year. He finished his remarks by telling the board that he would mount a public information campaign on campus to inform the campus community of the planned change and would hope to bring a recommendation for this change to them in Fall 1997.

Report from Chancellor, Chicago

Chancellor Broski began his report by responding to a question from Ms. Reese regarding the assignment to be given Mr. Victor Zafra. Chancellor Broski explained that Mr. Zafra would work on the Campus Core II, a remodeling project, and would also be involved in working with a program in Malaysia, particularly in recruiting.

Ms. Reese next asked the chancellor about reports concerning overpayments made to some hospitals for Medicaid patients. Mr. Higgins responded with legal advice noting that all hospitals with Medicaid payments were audited nationwide and that many teaching hospitals were currently undergoing audits. He stated that billings for attending physicians are being questioned.

Chancellor Broski then reported that the search for a provost at the Chicago campus was nearing completion and that interviews were under-

way. He indicated that he would probably be able to bring a recommendation for an appointment to the September meeting of the board. Also, he said that the search for a dean of the College of Education was concluding and that interviews were in process. He said that a recommendation for this position would probably be ready for the September meeting as well.

SPECIAL EXECUTIVE SESSION

Dr. Bazzani addressed the trustees on the matter of vacation time afforded President Stukel. The board then decided that in view of all the time the president gives for University events on weekends and evenings that they would grant him a total of 28 days per year, to commence with the next contract year.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned at 5:15 p.m.

BOARD MEETING RECESSED

At this time, the board recessed to reconvene at 1:35 p.m. the following day, July 10, 1997, following committee meetings.

BOARD MEETING, JULY 10, 1997¹

When the board reconvened in regular session at 1:35 p.m. on July 10, 1997, the members and officers of the board noted as present at the beginning of the meeting the previous day were in attendance, with the exception of Mrs. Calder.

GENERAL DISCUSSION

Mrs. Gravenhorst indicated that this was the time for trustees to raise any questions they might have about the agenda or any other topic Mr. Lamont indicated that he wanted to make comment about the deficit in the Division of Intercollegiate Athletics at the

Urbana campus. He said that the deficit required attention and that the only remedy for this seemed to be new revenue in the form of a fee increase. He suggested that a recommendation for this be presented at the October 1997 meeting of the board. He said that this would allow time for consultation with students.

¹Prior to this, there was a meeting of the Committee on Buildings and Grounds that included a review of a site approval recommendation for a new control tower at Willard Airport that is to be built by the Federal Aviation Administration. Also, there was an extensive presentation by a development team of preliminary plans for development of the south campus in Chicago. Ms. Lopez and others questioned the presenters about how the surrounding community would be involved in the planning for this. Items in the agenda for this meeting that dealt with development, construction, or remodeling were also briefly discussed. Next, the Committee on the University Hospital and Clinics met. An update on the status of the reorganization of Westside V.A. Medical Center was presented, the proposed budget for Fiscal Year 1998 was explained to the board, a status report on the development of the outpatient care center was given, and Dr. Robert Biehl, director of the Division of Specialized Care for Children, was thanked by the board on the occasion of his retirement.

In addition, the board received a report on the preliminary plans for the budget for FY 1999, which will be brought to the board for action in November 1997.

Chancellor Aiken then reviewed the history of the Division of Intercollegiate Athletics as a part of the Urbana campus, citing the fact that when this unit joined the campus in 1989, no provision was made for supporting the facilities of the unit in the way all other facilities on the campus are supported. In consequence of this, capital costs related to the stadium and other athletic facilities were causing the debt of the DIA to be unmanageable. The chancellor recommended to the board that a fee of \$34.00 per semester be levied on students, effective January 1998. He explained that this increase would be needed at least until the year 2001.

Discussion followed, with most trustees supporting the suggestion that the fee be assessed to address the deficit in the DIA.

MINUTES APPROVED

The secretary presented for approval the press proof of the minutes of the Board of Trustees meeting of November 13-14, 1996, copies of which had previously been sent to the board.

On motion of Dr. Gindorf, these minutes were approved.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President Stukel recognized and introduced observers from the campus senates and from the University Senates Conference.¹

The president then told the board that there was good news to report from the campuses. He mentioned that Professor Anthony Leggett, John D. MacArthur Professor of Physics at Urbana, had been named to the National Academy of Science. Also, he noted that the Institute for Public Affairs at Springfield had won an award for their project on Illinois campaign financing. In addition, he announced that Professor Carrey Marshall had been awarded a MacArthur Foundation Genius Grant. This included a prize of approximately \$250,000 to use in whatever way he wishes.

BUSINESS PRESENTED BY THE CHAIR

Mrs. Gravenhorst introduced Dr. B. A. Nugent, president of the University of Illinois Foundation. Dr. Nugent reported on the success of Campaign Illinois, mentioning that the campaign was right on schedule and that \$830 million had been raised to date. He noted that this has tripled the endowment for the University and generated more than \$112 million for student financial aid. He also told the board that the number of endowed chairs had increased to 120. He announced also that 158 alumni of the College of Law had contributed \$10,000 each to assist the John E. Cribbet Society. Dr. Nugent observed that the culture at the University was changing and that the University is now thinking more like the great private institutions with regard to fund raising. He added that all great public universities depend today on private support. Dr. Nugent then thanked President Stukel for his

¹University Senates Conference and Urbana-Champaign Senate Council: Kenneth E. Andersen, professor emeritus of speech communication; Chicago Senate: Sylvia E. Furner, associate professor of epidemiology and associate dean, School of Public Health; Springfield Senate: Ann Marie Larson, professor of biological science.

trips to communities all over the State, as well as the nation, saying that these were very helpful in gaining support for the University.

OLD BUSINESS

Mr. Plummer told the board that he and Mr. Engelbrecht were gathering facts for a study of the University's image and the way in which it is perceived. He said that Ms. Reese is also working with them on this investigation. He said that this had grown out of the review of logo designs submitted to the public affairs office at Urbana and had expanded to a review of the larger issue of what image does the University have.

NEW BUSINESS

Installation of New Student Trustees

Mrs. Gravenhorst invited Ms. Lopez as chair of the Committee on Student Affairs to introduce the new student trustees and to proceed with the installation of these new members. Ms. Lopez welcomed the new student trustees and read the following which defines the role of a student trustee:

The Statutes of the State of Illinois provide that there shall be nonvoting student members of this board, one from each campus of the University. The method of selecting student members has been determined by campus-wide student referendum. The student members serve a term of one year beginning July 1 of each year.

In the installation of voting members of the board, we tend to emphasize the duality of responsibility of the trustees: on the one hand, a deep interest and loyal support of the University and, on the other, a stewardship in behalf of the people of Illinois, a difficult interrelationship which as trustee one must define and carry out for oneself—but in no way an incompatible one.

It is appropriate that the same duality be kept before us in the role of the student trustee. Inevitably, the student member feels a kinship and accountability to the student body; on the other hand, no less than any of us, the view of the University and its service necessarily must be broader than any one student constituency or any one campus. This is a challenging perspective for us to maintain and a learning process for all of us.

As a member of the board, I welcome you to this fellowship of responsibility and invite your interest and contribution to the deliberations of this board.

Ms. Lopez then invited each of the student trustees to say a few words about themselves to the other board members.

Recognition, Byron H. Higgins

Mrs. Gravenhorst invited Mr. Higgins to join her at the podium and then read the following statement of recognition and appreciation from the trustees and the University officers:

To Byron H. Higgins:

In 1984 Byron H. Higgins came to the University of Illinois as University Counsel after several years' experience as Associate General Counsel at Michigan State University. Prior to that he served Wayne State University for more than ten years, first as University Attorney and then as General Counsel.

Mr. Higgins came to the University of Illinois at a time of great fiscal stress for the University and at a time when major changes, both internal and external, were occurring for the institution. It was also a time when litigation against the University was at a new peak and increasing. He met the challenges these conditions produced with enthusiasm, competence, and creative resolutions, born out of a keen sense of pragmatism and significant experience in higher education. In addition, Byron Higgins brought a sense of contemporary management and operations to the office of the University Counsel. He introduced new technological procedures to the office and successfully managed an adoption of automation that transformed the everyday work of the attorneys in the office. He also developed the Chicago office of the University Counsel into a full-fledged counsel's office for the overall needs of the University in Chicago, and as a well-staffed campus legal counsel's office. His counsel became particularly valuable to the University at the time the Springfield campus became a part of the University. His sound advice and good interpersonal skills were of great help to many in this transition.

In this very sensitive position where one is called on to counsel individuals and defend the institution, Mr. Higgins has built a sense of trust, approachability, and collegiality amongst many constituencies in the University. His advocacy for general knowledge of legal issues by all, and the training sessions he has instituted for University faculty and staff have made a contribution to the capabilities of countless individuals at the University. He is truly a colleague to persons in myriad positions at the University, and a friend to many of the University's supporters.

His accomplishments have been recognized by his peers among higher education attorneys by his election to the National Association of College and University Attorneys as their treasurer for 1994-1996.

Now, as he takes up new assignments for the University and joins the Institute of Government and Public Affairs as a Senior Fellow, the members of the Board of Trustees, as well as the President and University Officers gratefully acknowledge his service as their legal advisor and friend.

REGULAR AGENDA

The board considered the following reports and recommendations from the president of the University.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 7 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Appointments to the Athletic Board, Urbana

(1) The chancellor at Urbana recommends that Professor John B. Braden (Department of Agricultural and Consumer Economics), Professor Barrington L. Coleman (School of Music), Douglas C. Altenberger (alumnus), and Bryan Robert Lutes (student) be nominated for appointment to the Athletic Board of the University of Illinois at Urbana-Champaign. The appointments will be effective in August 1997, and continue for the term designated or until a successor has been appointed.

The Athletic Board is a committee concerned with intercollegiate athletics at the Urbana campus, with oversight responsibilities for the academic and educational aspects of the intercollegiate athletics program. It is a committee of the Urbana-Champaign Senate. The board also serves as an advisory committee to the chancellor and the athletic

director on financial management, personnel, and other operational aspects of the intercollegiate athletics program.

The board consists of eighteen members: two faculty representatives to the Big Ten; six other faculty members; four alumni of the Urbana-Champaign campus, including the president of the University of Illinois Alumni Association (or designee, if the president is not an alumnus of the campus); the chair of the Board of Trustees' Committee on Athletics; two students; and three exofficio members without vote—a designee of the chancellor, the university comptroller or a designee, and the athletic director. Terms are staggered so that each year two faculty members, one alumnus, and one student are proposed for membership. The faculty members and the alumni serve three-year terms, the student members serve two-year terms. A slate of faculty and student nominees is provided by the Urbana Senate, and the slate of alumni is provided by the Urbana-Champaign Council of the Alumni Association.

I concur.

On motion of Ms. Reese, these appointments were approved.

Appointment of University Counsel

(2) As the Board of Trustees is aware, the resignation of Byron H. Higgins from the position of university counsel necessitated a search for his successor. An advisory committee¹ was appointed and charged with the task of seeking recommendations for this position. Interest in the position was great, with well over 200 applications and nominations received. The committee considered numerous applicants before presenting to the board and the president a panel of candidates for further review.

The university counsel is responsible for the management of the University's legal affairs and serves as an officer of the Board of Trustees as well.

As a result of the review process, I recommend the appointment of Thomas R. Bearrows, presently a partner in the firm of Winston & Strawn, Chicago, as university counsel beginning September 1, 1997, on a twelve-month service basis at an annual salary of \$200,000.

Mr. Bearrows is an excellent lawyer and has served Winston & Strawn since 1984, first as an associate then as a partner since 1992.

I am pleased to recommend his appointment.

On motion of Ms. Reese, this appointment was approved.

Interim Dean, College of Architecture and the Arts, Chicago

(3) The chancellor at Chicago has recommended the appointment of Judith Russi Kirshner, presently professor, School of Art and Design, professor, Department of Art History, and director, School of Art and Design, as interim dean of the College of Architecture and the Arts, beginning September 1, 1997, on a twelve-month service basis, at an annual nine-month base salary of \$90,720 plus 2/9 annualization of \$20,160 and an administrative increment of \$4,120, for a total salary of \$115,000. Dr. Kirshner will continue to hold the rank of professor, School of Art and Design, on indefinite tenure on an academic year service basis. In addition, she will be appointed as professor of art history, non-tenured, on an academic year service basis, on zero percent time. She will succeed Ellen Taylor Baird who is returning to the faculty. A search for a permanent dean will commence immediately.

This recommendation is made after consultation with the college Executive Committee.

¹Advisory Committee to Assist the President on the Selection of a University Counsel: Sylvia Manning, vice president for academic affairs and professor of English, *chair*; Craig S. Bazzani, comptroller and vice president for business and finance; Richard Haupt, former vice president and general counsel, Waste Management, Inc.; Thomas M. Mengler, dean and professor, College of Law; Jack H. Prost, chair and associate professor, Department of Anthropology, UIC, and University Senates Conference representative; Michèle M. Thompson, secretary of the University and secretary of the Board of Trustees.

The vice president for academic affairs concurs.
I recommend approval.

On motion of Ms. Reese, this appointment was approved.

Appointments to the Faculty, Administrative/Professional Staff, and Intercollegiate Athletic Staff

(4) The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees.

Positions in the University are classified in the following categories and are designated in the budget by the symbols indicated.

- A— Indefinite tenure
- B— Ten months' service paid over twelve months
- K— Headship—As provided in the *Statutes*, the head of a department is appointed without specified term
- N— Term appointment not eligible to be appointed for an indefinite term and not credited toward probationary period
- Q— Initial term appointment for a professor or associate professor
- Y— Twelve-month service basis
- 1-7— Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Chicago

HIROAKI KIYOKAWA, assistant professor, Specialized Cancer Center, College of Medicine at Chicago, May 21-August 20, 1997 (N), \$17,667, and continuing August 21, 1997 (1), at an annual salary of \$53,000.

STEVEN J. LIDVALL, assistant professor of family and community medicine, on 51 percent time, and physician surgeon in family and community medicine, on 49 percent time, College of Medicine at Rockford, beginning June 1, 1997 (NY51;NY49), at an annual salary of \$125,000.

ZHIYUAN SHEN, assistant professor, Specialized Cancer Center, College of Medicine at Chicago, May 21-August 20, 1997 (N), \$17,667, and continuing August 21, 1997 (1), at an annual salary of \$53,000.

KOEN W. VAN BESIEN, associate professor of medicine, College of Medicine at Chicago, on 1 percent time for three years beginning May 1, 1997, and physician surgeon, University of Illinois Hospital and Clinics, on 99 percent time, beginning May 1, 1997 (QY1;NY99), at an annual salary of \$180,000.

Springfield

HAZEL ROZEMA, assistant professor of communication, beginning August 16, 1997 (1), at an annual salary of \$42,000.

Urbana-Champaign

FIELDON KING ALEXANDER, assistant professor of educational organization and leadership, beginning August 21, 1997 (1), at an annual salary of \$41,000.

ELABBAS BENMAMOUN, assistant professor of linguistics, May 5-July 4, 1997 (N), on fifty percent time, \$5,000, and continuing August 21, 1997 (2), on 100 percent time, at an annual salary of \$48,000.

- NANCY JANE BENSON, assistant professor of journalism, beginning August 21, 1997 (1), at an annual salary of \$40,000.
- FRANKLIN J. CARTER, assistant professor of business administration, May 21-July 20, 1997 (N), on ninety percent time, \$15,000, and continuing August 21, 1997 (1), on 100 percent time, at an annual salary of \$75,000.
- CHARLES J. HADLOCK, assistant professor of finance, June 21-July 20, 1997 (N), \$10,889, and continuing August 21, 1997 (1), at an annual salary of \$98,000.
- JENNY MARIE JOHNSON, map and geography librarian and associate professor of library administration, University Library, for five years beginning August 21, 1997 (QY), at an annual salary of \$48,500.
- MICHELLE KAMINSKI, assistant professor, Institute of Labor and Industrial Relations, beginning August 21, 1997 (1Y), at an annual salary of \$55,000.
- MUHAMMED TAHER A. SAIF, assistant professor of mechanical and industrial engineering, May 26-July 25, 1997 (N), \$12,444, and continuing August 21, 1997 (1), at an annual salary of \$56,000.

Administrative/Professional Staff

- JANICE LOUISE BALDWIN, senior quality consultant, University of Illinois Hospital and Clinics, beginning May 18, 1997 (NY), at an annual salary of \$80,380.
- JAMES R. BARRETT, chair of the Department of History, College of Liberal Arts and Sciences, Urbana-Champaign, on zero percent time on an academic year service basis for a term of three years with an annual administrative increment of \$4,000, beginning August 21, 1997 (N). Dr. Barrett will continue to hold the rank of professor of history on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$67,376, for a total academic year 1997-98 salary of \$71,376.
- MICHAEL F. BERUBE, director, Program for the Study of Cultural Values and Ethics, College of Liberal Arts and Sciences, Urbana-Champaign, on zero percent time on an academic year service basis with an administrative increment of \$3,000, beginning August 21, 1997 (N). Dr. Berube will continue to hold the rank of professor of English on indefinite tenure on an academic year service basis, on 100 percent time, and professor, Unit for Criticism and Interpretive Theory, non-tenured, on zero percent time (A100; N), at an annual salary of \$72,000, for a total academic year 1997-98 salary of \$75,000.
- THOMAS J. CUSACK, regional vice dean, on 19 percent time, professor of clinical radiology, on 51 percent time, chair of the Department of Radiology, on 10 percent time, and physician surgeon in radiology, on zero percent time, College of Medicine at Peoria, beginning May 8, 1997 (WY51;NY19;NY10;NY), at an annual salary of \$233,060.
- BRADLEY NOBLE HEDRICK, director, Division of Rehabilitation Education Services, College of Applied Life Studies, Urbana-Champaign, on 100 percent time on a twelve-month service basis, beginning August 21, 1997 (NY), at an annual salary of \$79,542.
- SONA S. HOISINGTON, head of the Department of Slavic and Baltic Languages and Literatures, College of Liberal Arts and Sciences, Chicago, on zero percent time on an academic year service basis with an administrative increment of \$5,000, beginning September 1, 1997 (K). Dr. Hoisington will continue to hold the rank of professor of Slavic and Baltic languages and literatures on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$54,080, for a total academic year 1997-98 salary of \$59,080.
- STEVEN G. JONES, head of the Department of Communication, College of Liberal Arts and Sciences, Chicago, on zero percent time on an academic year service basis with an administrative increment of \$5,000, beginning August 21, 1997 (K). Dr. Jones will also be appointed to the rank of professor of communication on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$77,000, beginning August 21, 1997 (A), for a total academic year 1997-98 salary of \$82,000.

- JOHN E. MIDTLING, head of the Department of Family and Community Medicine, University of Illinois College of Medicine at Rockford, on zero percent time on a twelve-month service basis with an administrative increment of \$20,000, beginning July 11, 1997 (KY). Effective June 1, 1997, Dr. Midtling was appointed acting head of the Department of Family and Community Medicine, on zero percent time on a twelve-month service basis with an administrative increment of \$20,000, as professor of family and community medicine on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$100,000, as physician surgeon in family and community medicine, on 49 percent time on a twelve-month service basis at an annual salary of \$70,000, and as associate dean for strategic planning and development, College of Medicine at Rockford, on zero percent time without administrative increment (NY;AY51;NY49;NY), for a total annual salary of \$190,000.
- MICHAEL PERMAN, chair of the Department of History, College of Liberal Arts and Sciences, Chicago, on zero percent time on an academic year service basis with an administrative increment of \$5,000, beginning September 1, 1997 (K). Dr. Perman will continue to hold the rank of professor of history on indefinite tenure on an academic year service basis, on 50 percent time, and research professor in the Institute for Humanities on indefinite tenure on an academic year service basis, on 50 percent time (A50;A50), at an annual salary of \$92,231, for a total academic year 1997-98 salary of \$97,231.
- JOHN T. RAMSEY, chair of the Department of Classics, College of Liberal Arts and Sciences, Chicago, on zero percent time on an academic year service basis with an administrative increment of \$5,000, beginning September 1, 1997 (N). Dr. Ramsey will continue to hold the rank of associate professor of Classics on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$48,537, for a total academic year 1997-98 salary of \$53,537.
- JAMES C. SCOTT, director, School of Music, College of Fine and Applied Arts, Urbana-Champaign, on zero percent time on a twelve-month service basis with an administrative increment of \$8,000, beginning August 21, 1997 (NY). Dr. Scott will also be appointed to the rank of professor, School of Music, on indefinite tenure on a twelve-month service basis while serving as director of the school, on 100 percent time, beginning August 21, 1997 (AY), at an annual salary of \$102,000, for a total salary of \$110,000.
- ASHISH KUMAR SEN, director, Urban Transportation Center, College of Urban Planning and Public Affairs, Chicago, on zero percent time on a twelve-months service basis with an administrative increment of \$12,500, beginning July 24, 1997 (NY). Dr. Sen will continue to hold the rank of professor, Urban Planning and Policy Program, on indefinite tenure on an academic year service basis, on 100 percent time, professor, Urban Transportation Center, on zero percent time (non-tenured), and professor of mathematics, statistics, and computer science, College of Liberal Arts and Sciences, on zero percent time (non-tenured), at an annual salary of \$86,725, effective May 1, 1997 (A;N;N), for a total annual salary of \$99,225.
- CHARLES C. STEWART, associate dean, College of Liberal Arts and Sciences, Urbana-Champaign, May 21-July 20, 1997 (N), \$17,238. Dr. Stewart will serve as associate dean on 50 percent time on an academic year service basis, with an additional administrative increment of \$3,000, and will continue to hold the rank of professor of history on indefinite tenure on an academic year service basis, on 50 percent time, beginning August 21, 1997 (N50;A50), at an annual salary of \$90,000, for a total academic year 1997-98 salary of \$93,000.

On motion of Ms. Reese, these appointments were confirmed.

Promotions in Academic Rank and Change in Tenure, 1997-1998

- (5) The chancellors at the respective campuses have recommended the approval of promotions in academic rank and changes in tenure status in accordance with the attached

lists. (The lists are filed with the secretary of the board.) These changes are to be effective at the beginning of the 1997-98 appointment year.

The numbers recommended for promotion to the various ranks are as follows:

| | <i>Chicago</i> | | <i>Springfield</i> | | <i>Urbana-Champaign</i> | | <i>Total</i> | |
|---|----------------|----------------|--------------------|----------------|-------------------------|----------------|----------------|----------------|
| | <i>1997-98</i> | <i>1996-97</i> | <i>1997-98</i> | <i>1996-97</i> | <i>1997-98</i> | <i>1996-97</i> | <i>1997-98</i> | <i>1996-97</i> |
| Professor, Research Professor, and Clinical Professor <i>Without Change in Tenure</i> | 18 | (31) | 1 | (6) | 41 | (33) | 60 | (70) |
| Professor and/or Research Professor <i>On Indefinite Tenure</i> | 0 | (0) | 0 | (0) | 0 | (1) | 0 | (1) |
| Associate Professor, Research Associate Professor, and Clinical Associate Professor <i>Without Change in Tenure</i> | 13 | (14) | 1 | (1) | 0 | (0) | 14 | (15) |
| Associate Professor <i>On Indefinite Tenure</i> | 29 | (49) | 4 | (8) | 43 | (66) | 76 | (123) |
| <i>Total</i> | 60 | (94) | 6 | (15) | 84 | (100) | 150 | (209) |
| <i>To Tenure Without Change in Rank</i> | 4 | (2) | 0 | (3) | 3 | (3) | 7 | (8) |
| Associate Professor on a 3-year Q Contract | NA | (1) | 0 | (NA) | NA | (NA) | 0 | (1) |

The recommendations from the Chicago and Urbana-Champaign campuses have been prepared in accord with provisions of the University of Illinois Statutes; those from the Springfield campus have been prepared in accord with the Collective Bargaining Agreement. Each campus has established formal procedures for the initiation, review, and approval of recommendations for academic promotion in rank with tenure, promotions in rank without change in tenure, and to tenure without change in rank.

The vice president for academic affairs concurs.

I recommend approval.

On motion of Ms. Reese, these recommendations were approved.

Recision of Fee to Support the Illinois Student Government Organization, Urbana

(6) On November 14, 1996, the Board of Trustees approved a \$1.00 fee to support the Illinois Student Government organization (formerly the Student Government Association). This was approved as part of the SEAL/SORF/ISG Fee.

On March 21, 1997, in the general student election, the following item was on the ballot (along with other issues):

Do you support the reaffirmation of the \$1.00 Illinois Student Government (ISG) Fee?

609 Yes
787 No
39 Abstentions

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends recision of the board's action of November 14, 1996, concerning including the \$1.00 fee for the support of the Illinois Student Government organization, contained in the SEAL/SORF/ISG Fee.

On motion of Ms. Reese, this recommendation was approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 7 through 21 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

**Renewal of Agreements,
University of Illinois Alumni Association and
University of Illinois Foundation**

(7) Since 1982, the Board of Trustees has designated the Alumni Association and University of Illinois Foundation as University-related organizations and authorized basic service agreements for certain services. Renewal of the agreements for Fiscal Year 1998 is now sought.

Alumni Association

The agreement provides that the Association will provide management and supervisory services for data gathering, data entry, and maintenance of alumni records on the Foundation Alumni Constituency Tracking System (FACTS) and management services of the activities of the Alumni Career Center. The Association will publish periodicals which will be distributed to alumni. The Association will provide support to University field activities such as meetings of alumni groups and off-campus communications with alumni. The University will provide direct support of \$1,473,000¹ for FY 1998. This support will be provided during the course of the year through contractual payments to the Alumni Association for the costs of services rendered and through funds allocated in the University's Office of Alumni Relations and Alumni Career Center for the maintenance of alumni support functions. The agreement also provides for the Association's use of FACTS to maintain membership records and for access to and joint ownership of such records. Ownership of the periodicals resides with the Association. Also provided is the employer costs of benefits for University employees working in the Office of Alumni Relations and Alumni Career Center.

Foundation

Under the agreement, the Foundation will provide fund-raising services and other assistance to attract private gift funds to support University programs. The Foundation agrees to accept and administer such gifts according to terms specified by the donor, to inform the University of all gifts received for the benefit of the University, and to apply the same in accord with the terms of the gift or, as in the case of all undesignated gifts, as the University may determine. The Foundation also will provide management and supervisory services for the maintenance of donor records on the Foundation Alumni Constituency Tracking System (FACTS). The Foundation assesses a management fee to Foundation gift accounts as a means to support some of its private gift fund-raising operations.

To partially support the annual operating costs of the program and services described, the University will provide support of \$4,303,300² for FY 1998. The support will be provided through payments to the Foundation during the course of the year based upon actual costs incurred and through funds allocated to the University Office of Development for the maintenance of donor records and other fund-raising support functions.

Certain routine business and financial services will be provided to the Foundation as needed. The agreement also provides the Foundation with access to the University's FACTS for the purpose of conducting fund-raising activities. Also provided is the employer costs of benefits for University employees working in the Office of Development.

Institutional funds, generated from a management fee assessed to University gift accounts, and State appropriated funds are available to support these agreements for FY 1998.

The vice president for business and finance has recommended execution of the agreements as described.

I concur.

¹The contract amount for FY 1997 was \$1,350,000.

²The contract amount for FY 1997 was \$4,300,000.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

University of Illinois Willard Airport Project Revenue Bonds, Series 1997

(8) The board, at its meeting of May 8, 1997, authorized a number of actions leading toward the issuance of refunding revenue bonds designated as the Board of Trustees of the University of Illinois Willard Airport Project Revenue Bonds, Series 1997 the (*Bonds*). In the interim, University staff and financial advisor, bond counsel, and the underwriter have:

1. Prepared a Preliminary Official Statement, a First Supplemental Revenue Bond Resolution, a Bond Purchase Agreement, an Escrow Agreement, a First Amendment to an Intergovernmental Agreement with The County of Champaign and a Continuing Disclosure Agreement;
2. Pursued a rating or ratings on the *Bonds*;
3. Solicited proposals from bond insurers; and
4. Developed a recommended structure for the issue.

It is requested that the board authorize the issuance of the *Bonds*, the proceeds of which will be used to refund the remaining outstanding Willard Airport Project Revenue Bonds, Series 1987 in an aggregate amount of \$3,830,000 (the *Series 1987 Bonds*). The *Bonds* will have a final maturity of not more than 12 years and will be issued in an aggregate original principal amount not to exceed \$4,250,000 (net of original issue discount, if any).

The *Bonds* will be fully registered and do not constitute an obligation of the State of Illinois, or of individual members, officers, or agents of the Board of Trustees; but are payable solely from the net revenues of the airport facilities, revenues received from the County of Champaign pursuant to the Interdepartmental Agreement, student tuition and fees (subject to the prior pledge to Auxiliary Facilities System revenue bonds), and income received from, and the principal of, the Debt Service Reserve Account, if any.

All legal matters incidental to the authorization and issuance of the *Bonds*, the Preliminary and Final Official Statements, the First Supplemental Revenue Bond Resolution, the Escrow Agreement, the Bond Purchase Agreement, the Intergovernmental Agreement, and the Disclosure Agreement have been approved by Chapman and Cutler, bond counsel, Chicago, Illinois.

The vice president for business and finance recommends:

1. Approval of the First Supplemental Revenue Bond Resolution;*
2. Approval of the Preliminary Official Statement;*
3. Approval of the form of the Bond Purchase Agreement* with Griffin, Kubik, Stephens & Thompson, Inc., as underwriter, wherein the underwriter agrees to purchase from the board not less than all of the *Bonds* in an aggregate original principal amount not exceeding \$4,250,000 (net of original issue discount, if any). The price at which the *Bonds* will be purchased from the University by the underwriter will be equal to the price at which the *Bonds* will be offered to the public, less an amount not to exceed one percent of the face amount of the Bonds and the bond yield for the *Bonds* will not exceed 5.25 percent;
4. Approval of the form of the Escrow Agreement;*

5. Approval of the form of the Intergovernmental Agreement; *
6. Approval to purchase bond insurance if such purchase is deemed economically beneficial following consultation with financial advisor and underwriter;
7. Approval of BankIllinois Trust Company, Champaign, Illinois, as registrar and escrow agent;
8. Approval of the form of the Continuing Disclosure Agreement by the Board with respect to the *Bonds*; *
9. Ratification and confirmation of all actions taken or to be taken by the officers and members of the board in connection with the sale and delivery of the *Bonds* to the underwriter; and
10. That the comptroller and other authorized officers of the board be and they are hereby authorized and empowered to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the board as may be by them deemed necessary or appropriate to provisions of the Official Statement, the First Supplemental Revenue Bond Resolution, the Bond Purchase Agreement, the Escrow Agreement, the Intergovernmental Agreement, the Continuing Disclosure Agreement, and all acts and things whether heretofore or hereafter done or performed by and of the officers of the board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

I concur.

(*A copy is filed with the secretary of the board for the record and the appropriate University officers of the board are hereby authorized and directed to execute the same in the name and on behalf of the board in substantially the form presented to this meeting, or with such changes as may be approved by the officer or officers of the board executing the same, his/her or their execution thereof to constitute conclusive evidence of the board's approval of all changes from the form thereof presented to this meeting; *provided, however*, that is any such changes constitute a substantial change in the form thereof presented to this meeting they shall first be approved by the executive committee of the board to which authority for such approval is delegated by the board.)

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Contract for Consulting Services for the Department of Radiology, University of Illinois Hospital, Chicago

(9) The chancellor at Chicago recommends approval of a contract for consulting services with MEDCO, Inc., Hatboro, Pennsylvania, to evaluate the hospital's current radiology services and identify opportunities for future improvements in quality, cost, and productivity. The contract will be for the period August 1, 1997, through January 31, 1998. Competitive bidding procedures in accordance with the Illinois Purchasing Act were followed.

MEDCO, Inc., will assess the Radiology Department's current strengths and weaknesses including an assessment of its current service systems, resource utilization, and technology, as well as current market comparisons in staffing, service volume/expenses, and price structure. They will provide an assessment of future radiological service needs

at both the University of Illinois at Chicago Hospital and Clinics and the greater Chicago community which will be in keeping with the hospital's overall strategic plan. They will provide a departmental strategic plan that will identify market/service expansion and expense reduction opportunities, and ways to measurably improve quality of services and customer satisfaction. They will help the department define their mission statement and strategic objectives and present a five-year break-even operating analysis.

MEDCO, Inc., brings an extensive background in the area of healthcare management. They have a proven track record of expertise in the management field and have a thorough understanding of the current healthcare market and its structures and opportunities.

The cost of the contract is \$69,720. Funds are available in the Health Services Facilities System.

The vice president for business and finance concurs.

I recommend approval.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

**Subcontract for Family Case Management and Outreach Services
for the Mile Square Health Center; and Delegation of Authority
to Comptroller, Chicago**

(10) The University is finalizing a contract with the Illinois Department of Human Services (IDHS) for the Mile Square Health Center (MSHC) to provide family case management and outreach services for the period of July 14, 1997, through June 30, 1998. IDHS will pay MSHC for family case management services on a per case basis for approximately 1,265 cases, an estimated total of \$378,000. Also, IDHS will pay MSHC approximately \$43,000 for outreach services.

The chancellor at Chicago recommends approval of a subcontract with the YMCA of Metropolitan Chicago (YMCA) on behalf of Westside Future (WSF), a program of the YMCA. The subcontract will require MSHC to assign approximately 880 family case management services for an estimated \$277,000 and outreach services for an estimated \$43,000 for the period of July 14, 1997, through June 30, 1998. The chancellor further recommends the delegation of authority to the comptroller to renew the subcontract to June 30, 1999. The subcontract and renewal thereof will be subject to the execution of and all terms and conditions contained in the University's contract with IDHS.

Funds for the subcontract will be available through the contract with IDHS.

The vice president for business and finance concurs.

I recommend approval.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Contract for Outpatient Care Center, Chicago

(11) The president of the University, with the concurrence of the appropriate University officers, recommends the award of a contract for \$2,287,000 to Ceisel Masonry, Inc.,

Northbrook, for the masonry work for the Outpatient Care Center at the Chicago campus. Competitive bidding procedures in accordance with the Illinois Purchasing Act were followed; and the award is to the lowest responsible bidder on the basis of its base bid (\$2,287,000) plus acceptance of alternate #1 (\$-0-).¹

The \$86.0 million project will construct a four-story outpatient care center with a basement and a mechanical penthouse. The construction will consist of two building sections across the street from one another connected by bridges. Other bridges will connect the building to the Hospital, the Neuropsychiatric Institute, the Eye and Ear Infirmary, and the Wood Street Parking Structure. The proposed project will house several outpatient clinics previously located in antiquated space. The total square footage is approximately 245,100 gsf.

Funds are available from the proceeds of the Health Services Facilities System Revenue Bonds, Series 1997.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Contract for Japan House, Urbana

(12) The president of the University, with the concurrence of the appropriate University officers, recommends the award of a contract for \$295,655 to Roessler Construction, Rantoul, for the construction of the Japan House at the Urbana campus. Competitive bidding procedures in accordance with the Illinois Purchasing Act were followed; and the award is to the lowest responsible bidder on the basis of its base bid (\$272,890) plus acceptance of alternates #1 and #2 (\$4,785 and \$17,980, respectively).²

The project consists of the construction of a 3,120 gsf facility which will contain an instructional laboratory; instructional kitchen; formal, semi-formal, and informal tea rooms; office; and storage with support areas.

Funds are available from private gifts.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Contract for Masonry Replacement and Repair Work, Urbana

(13) The president of the University, with the concurrence of the appropriate University officers, recommends award of a cost-plus contract to Stobek Masonry, Inc., Morton, the single bidder,³ for \$250,904 for the removal, replacement, and repair of masonry units at

¹Alternate #1 — Add a second bridge from the fourth floor of the Outpatient Care Center building to the Wood Street Parking Structure. This contractor's alternate is at no additional cost.

²Description of Alternates: #1 — Assignment fee; #2 — Plastic laminate casework in kitchen.

³The bid received from the single bidder is commensurate with the current project scope and requirements. The Operation and Maintenance Division recommends the award of the contract.

the Urbana campus for the fiscal year ending June 30, 1998, with an option to extend the contract from July 1, 1998, to June 30, 1999, under the same terms and conditions, subject to approval by the comptroller. Competitive bidding procedures in accordance with the Illinois Purchasing Act were followed; and the contractor bid on percentages to be applied to an estimated volume of material, labor, and subcontractors. (The contractor's bid is based on an estimated quantity of work for 105 different items multiplied by the contractor's unit price for each item.)

When a project is assigned to the contractor, the project cost will be based on the sum of the specific items relating to that particular project multiplied by the unit price for those items.

Funding will be identified on a project-by-project basis and may include state appropriated, institutional, or restricted funds available in the campus operating budget.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Delegation of Authority to Award Contracts for Tower Parapet Walls, College of Medicine East, Chicago

(14) The College of Medicine East, a 14-story building, has a parapet that is 13 feet high and approximately 220 feet long over the tower section. The parapet on the east elevation, which includes the main building entrance, was constructed with a decorative limestone facade and common brick backing. Several common brick courses at the base of the wall have deteriorated. The parapet wall is leaning inward at the top and its outside face is bowed, which creates a major hazard. Therefore, the wall must be dismantled and rebuilt to preserve the building's historic landmark status.

This project involves dismantling and salvaging all pieces of decorative limestone from the parapet and demolishing the brick masonry; redesigning the parapet to conform with lateral load requirements of the prevailing codes; rebuilding the parapet to match the existing limestone with salvaged limestone; and providing new face brick while preserving all architectural features of the existing parapet wall. This work will be accomplished in two phases. The dismantling and demolition will be completed in Phase I. Rebuilding of the parapet will be completed in Phase II (spring 1998).

Since it is necessary to meet the project construction schedule, it is essential that contracts for construction be awarded before the September 1997 meeting of the Board of Trustees. Bids are to be received in August 1997.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the parapet wall restoration project be approved at \$1,044,600. It is further recommended that the comptroller be delegated the authority to award contracts to the lowest responsible bidder for each division of work, provided the total of the bids received does not exceed \$850,000.

A report of the bids received will be presented to the board at a subsequent meeting. Funds for the project are available from the institutional funds operating budget of the Facilities Management Department.

On motion of Ms. Reese, these recommendations were approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

**Delegation of Authority to Award Contracts for Multi-Sport Building,
Division of Intercollegiate Athletics, Urbana**

(15) The proposed \$5.4 million Multi-Sport Building project involves constructing a 35,000 gsf facility that will provide basketball practice space for the men's and women's basketball teams. This facility will be located east of Fourth Street and southeast of the Bielfeldt Athletic Administration Building as part of the Athletic Center complex. The building will include two practice court areas, men's and women's locker rooms and support areas, and offices for the men's basketball program.

To meet the project construction schedule, it is essential that contracts for construction be awarded before the September 1997 meeting of the Board of Trustees. Bids are to be received by the first of August 1997.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the comptroller be delegated the authority to award contracts to the lowest responsible bidder for each division provided the total of the bids received does not exceed \$4,418,000.

A report of the bids received will be presented to the board at a subsequent meeting. Funds for the project are available from private gift funds.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Employment of Master Developer, South Campus Development, Chicago

(16) The chancellor at Chicago, with the concurrence of appropriate University officers, recommends authorization of an agreement with South Campus Development Team, L.L.C. (SCDT) to develop a master plan for the south campus development area. SCDT is a consortium of prominent Chicago real estate developers organized and led by Mesirow Stein and Company. Principal partners of SCDT's development team include The New Frontier Companies and the Harlem/Irving Companies.

SCDT will, over a period not to exceed eighteen months, lead the University in developing a master plan for the south campus area, including a development timetable, a financing model, and an action plan to deal with initial implementation and other issues. Also during that period, the University will negotiate a master developer agreement with SCDT for implementing the south campus master plan.

The University's cost for the master planning phase will include a \$190,000 professional service fee to SCDT plus an amount not to exceed \$541,000 for University authorized third party contracts, such as design fees, engineering studies, marketing studies, transportation/parking studies, financial studies, legal consulting, etc.

Funds are available in the institutional funds operating budget of the Office of the Vice Chancellor for Administration and Human Resources.

The vice president for business and finance concurs.

I recommend approval.

Ms. Lopez noted that she was voting "aye" on this item with the understanding that the University will ensure significant participation of the Pilsen community and other groups in the general vicinity who define

themselves as stakeholders in a vibrant and strong residential and business community.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Employment of Consultants for the Outpatient Care Center, Chicago

(17) This \$86.0 million project involves constructing a four-story outpatient care center with a basement and a mechanical penthouse. The construction will consist of two building sections across the street from one another connected by bridges. Other bridges will connect the building to the Hospital, the Neuropsychiatric Institute, the Eye and Ear Infirmary, and the Wood Street Parking Structure. The proposed project will house several outpatient clinics previously located in antiquated space. The total square footage is approximately 245,100 gsf.

In order for the project to proceed, it is necessary to employ consultants for the required professional services. The selection of the consultants for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the following firms be employed for the professional services indicated below. The firms' fees are also indicated and include authorized reimbursables.

| | |
|--|-------------------|
| <i>Commissioning Agent</i> | <i>Firm's Fee</i> |
| Bard, RAO + Athanas Consulting Engineers, Inc. (BR+A), Chicago | \$180 000 |
| <i>Testing and Balancing</i> | |
| Aero Testing and Balancing Systems, Inc., Chicago | 146 885 |
| <i>Testing Services</i> | |
| Flood Testing Laboratories, Chicago | 65 950 |

Funds are available from the proceeds of the Health Services Facilities System Revenue Bonds, Series 1997.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Employment of Consultant for the South Farms Master Plan, Urbana

(18) In September 1990, the Board of Trustees approved the South Farms Master Plan for the Urbana campus. The recent reorganization of the College of Agricultural, Consumer and Environmental Sciences has resulted in several changes in the needs of the college. Consequently, it is necessary to reestablish a physical framework for orderly development in the south farms area by establishing master plan guidelines.

Based on the criteria used in its selection as master planning consultant for the north, south, central, and south farms campuses, and a desire to maintain continuity, the firm of Sasaki Associates, Inc., Watertown, Massachusetts, is believed best able to provide

the required professional services for a new south farms master planning study. These services would be provided beginning September 1, 1997, through January 31, 1998. The selection of the consultant for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends the employment of Sasaki Associates, Inc., for the professional services necessary to complete the South Farms Master Plan on the basis of a fixed fee of \$121,000 plus authorized reimbursements estimated to be \$10,300.

Funds are available from the institutional funds operating budget of the Urbana campus.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Extension of Lease for the University Research Center to Chicago Technology Park Corporation, Chicago

(19) The chancellor at Chicago recommends an extension of the current lease for the University Research Center (URC), a laboratory building located at 2201 West Campbell Park Drive, Chicago, to Chicago Technology Park Corporation (CTPC).

The CTPC is a not-for-profit corporation that was organized by the University and Rush-Presbyterian St. Luke's Medical Center (RPSL). The CTPC mission is to promote the economic development of the area bounded on the north by Congress Parkway, on the south by Polk Street, on the east by Damen Avenue, and on the west by Oakley Boulevard. The URC was constructed by the State to serve as rental space for biotechnology firms in the early stages of their development. Title to the land and building were transferred to the University and the facility was then leased by the University to CTPC at a nominal annual rental of \$10 for a term of five years through March 16, 1992.

On September 12, 1991, the board approved the transfer of control of CTPC to the State of Illinois Medical District Commission (IMD) and an extension of the lease through August 31, 1996. The board subsequently approved an extension for an additional year.

Under the terms of the proposed amendment, the lease would be extended through August 31, 2002, at a nominal rental of \$10 per year.

The vice president for business and finance concurs.

I recommend approval.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Ground Lease for a New Federal Aviation Administration Airport Traffic Control Tower, Willard Airport

(20) The chancellor at Urbana recommends authority be given to execute a land lease with the Federal Aviation Administration (FAA) for construction of a new airport traffic

control tower at Willard Airport.¹ The new tower would be constructed by the FAA to allow for expanded space needed for operation and to improve its mission of providing RADAR approach services to airports within the region. Funds for planning have been authorized by the FAA, and subsequent funds for construction will be provided by the FAA. The lease would specify other elements:

1. Expenses for site improvements will be shared between the FAA and the University of Illinois; and
2. The University of Illinois will make changes to the proposed Airport Layout Plan (ALP) to ensure that all proposed airport improvements, which will support the actual movement of air traffic, meet all applicable FAA Orders with regard to sighting of runway traffic; and
3. The FAA will take responsibility for maintenance and upkeep of the building.

Funds are available for the site improvements and for the changes in the ALP in the institutional funds operating budget of Willard Airport.

The vice president for business and finance concurs.

I recommend approval.

On motion of Ms. Reese, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none.)

Purchases

(21) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the vice president for business and finance.

The purchases were presented in two categories: purchases from appropriated funds (i.e., from State appropriations to the University); and purchases from institutional funds. The latter term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amounts of these purchases were:

From Appropriated Funds

Recommended \$ 61 197

From Institutional Funds

Recommended 18 037 311

Grand Total \$18 098 508

A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

(Dr. Gindorf admonished the administration that such items as purchase item no. 8 should be bid, since there are now several suppliers. Mr. Lamont cautioned the administration to carefully watch warranties for purchase item no. 14 and asked to be recorded as not voting on purchase item no. 18.)

¹The recommended site will be described to the board at the July 1997 meeting of the Committee on Buildings and Grounds.

On motion of Ms. Reese, the purchases recommended were authorized by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar.

(The student advisory vote was: Aye, Ms. Doyle, Ms. Sanchez, Ms. Yates; no, none. Ms. Sanchez asked to be recorded as not casting an advisory vote on purchase item no. 7.)

SECRETARY'S REPORT

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations, terminations, and emeriti appointments. A copy of the report is filed with the secretary.

CONCLUDING REMARKS

Dr. Bazzani reported, for information only, that the University of Illinois at Chicago and Rush-Presbyterian-St. Luke's Medical Center were developing a new bus system to be shared by the two institutions. He noted that they were assisted in this by the Illinois Medical Center District.

Ms. Sanchez asked about the student Health Maintenance Organization (HMO) fee and satisfaction of students in the services. Dr. Bazzani responded that it was a plan that provided "first dollar" coverage and it is optional for students. Dr. Gindorf added that the fee is about 50 percent less than other HMO's and that even though it is a good value, it is priced on the basis of experience.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Gravenhorst called attention to the schedule of meetings for the next three months: September 10-11, Springfield; October 8-9, Urbana-Champaign; November 12-13, Chicago.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

Secretary

SUSAN L. GRAVENHORST

Chair

